IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF PENNSYLVANIA

NATIONAL INDOOR FOOTBALL LEAGUE, LLC.

Plaintiffs

VS.

Civil Action No. 02-548

R.P.C. EMPLOYER SERVICES, INC., and DAN J. D'ALIO

Defendants

PROCEEDINGS

Transcript of SETTLEMENT on TUESDAY, MARCH 28, 2006, United States District Court, Pittsburgh, Pennsylvania, before Honorable TERRENCE McVERRY, U.S. District Judge.

APPEARANCES:

For the Plaintiffs: LEVENTRY, HASCHAK & RODKEY

By: TIMOTHY C. LEVENTRY, ESQ.

FORREST B. FORDHAM, III, ESQ.

RYAN SEDLAK, ESQ.

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For the Defendants:

FECZKO & SEYMOUR

By: MICHAEL J. SEYMOUR, ESQ.

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BERNARD C. CAPUTO, ESQ.

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Reported by:

Patricia Sherman

Official Court Reporter 1017-A USPO & Courthouse

Pittsburgh, Pennsylvania 15219

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Proceedings recorded by mechanical stenography. Transcript produced by computer-aided transcription.

EXHIBIT

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1 PROCEEDINGS 2 TUESDAY AFTERNOON SESSION, MARCH 28, 2006, 1:30 P. M. 3 4 5 Mr. Leventry, do you wish to place on THE COURT: the record the understanding of the parties relative to the 6 resolution of this matter and an outline of future 7 involvement of you, as counsel, and the Court? 8 9 MR. LEVENTRY: Yes, Your Honor. Thank you. The parties collectively got together 10 and agreed to the following six items which are as follows: 11 12 The plaintiffs, upon payment of \$75,000, will withdraw the fraud and RICO claims against the defendants as 13 appropriate. Payment to be made by April 14, 2006. 14 check payable to Leventry, Haschak and Rodkey, LLC, attorneys 15 for the NIFL, LLC. 16 17 The parties will attempt -- this is No. 2. The parties will attempt to negotiate the choice of a mediator 18 19 the Court shall make the appointment by April 14, 2004. 20

within 15 days; however, if the parties are unable to do so, mediator shall mediate the issues of contractual damages, including attorneys' fees and costs and mediator fees.

No. 3, the parties agree to submit and to participate in the mediation on or before May 12, 2006.

No. 4 --

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1 THE COURT: May 12? MR. LEVENTRY: Yes, sir, Your Honor. 2 3 THE COURT: Okay. Go ahead. 4 MR. LEVENTRY: If the parties are unable to resolve all issues through mediation, the unresolved issues will be 5 resubmitted to Judge McVerry for determination by jury or 6 non-jury as the parties may agree and according to law. 8 No. 5, the issue before the mediator or the Court will be limited to damages, attorneys' fees and costs and 9 mediation fees but not liability which is agreed to in favor 10 11 of the plaintiffs. No. 6, the defendants will voluntarily withdraw 12 their counterclaims against the plaintiff by April 14, 2006 13 14 period. Those are all the issues that we have, Your Honor. 15 16 THE COURT: I'm not sure that that No. 6 is necessary in view of the fact that I'm going to enter an 17 order closing this case but you go right ahead and do that. 18 19 We would like that because if we MR. LEVENTRY: reopen the case, I guess we'll only be reopening on damages. 20 THE COURT: If the case gets reopened, there will 21 22 not be a counterclaim, right? 23 MR. LEVENTRY: That's correct. 24 MR. SEYMOUR: That's correct. 25 I would ask you to transcribe that one THE COURT:

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or two pages for me, okay, so that I have it in my file.

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MR. LEVENTRY: Your Honor, would we also be able, each of us, to get a copy of that agreement?

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MR. LEVENTRY: Yes.

rightful providers are being paid.

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THE COURT: Thank you. We'll send it out when the court reporter gives it to me which will be in the next 15 minutes.

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Well, congratulations on achieving a settlement. From everything that you've told me and from my own

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familiarity with the case, I think it's a wise way to try to

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reach final resolution, meaning through mediation with each

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of you sitting down with a neutral going through those voluminous records, I guess, you're going to have to go

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through to make the appropriate determination as to amount

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and to payee so that everybody is assured that the right

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If I end up selecting your mediator, I'll do the best I can to assure that the mediation will take place in a time frame upon which you've agreed. Hopefully, that won't

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20 be necessary.

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I did meet with the jurors and explained to them the basic parameters upon which you've settled and I told them that if they wanted to talk to you, they could wait outside, and that you would be finished in here in relatively short period of time, and you'd be willing to talk to them,

1	if they wished to talk. There may be some out there and
2	there may not. I tend to think that they have gone to the
3	wind but thanks for reaching a settlement. I'll do what
4	can to help you get to the bottom line.
5	Good luck to all of you.
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7	* * * *
8	I certify my original signature herein that the
9	foregoing is a correct transcript from the record of
10.	proceedings in the above-entitled matter.
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12 13	s\Patricia Sherman Official Reporter March 28, 2006
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18	**** NOT CERTIFIED WITHOUT ORIGINAL SIGNATURE ****
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